

**UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF MICHIGAN**

In the Matter of:

LORETTA BORCZAK,  
(Social Security No. \*\*\*-\*\*-0935)

Debtor.

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MICHIGAN UNEMPLOYMENT  
INSURANCE AGENCY,

Plaintiff,

v.

LORETTA BORCZAK,

Defendant.

\_\_\_\_\_

Case No. 17-04435-swd  
Chapter 7  
Hon. Scott W. Dales

Adversary Proceeding No.  
17-80200-swd  
Hon. Scott W. Dales

**CONSENT JUDGMENT**

The parties having stipulated to the resolution of this adversary proceeding,  
and the Court being fully advised in the premises,

IT IS ORDERED that Defendant's debt to the Plaintiff in the amount of  
\$7,744.11 is nondischargeable under 11 U.S.C. § 523(a)(2) and *Cohen v. de la Cruz*,  
523 U.S. 213, 118 S. Ct. 1212 (1998).

IT IS FURTHER ORDERED that Plaintiff is awarded \$350.00 in filing fees.

IT IS FURTHER ORDERED that judgment is entered in the amount of  
\$8,094.11 for the nondischargeable debt plus filing fees.

IT IS FURTHER ORDERED that the parties agree to a consent amount of  
\$3,369.11 (consisting of \$1,575.00 in restitution, \$1,575.00 in penalties, \$169.11 in  
interest, and \$350.00 in filing fees, minus \$300.00 collected).

IT IS FURTHER ORDERED that Defendant will make timely and consistent payments of \$100.00 per month on until the consent amount is paid in full.

Defendant's payments shall start no later than March 1, 2018, and shall be paid monthly at the beginning of each month until the consent amount is paid in full.

Defendant shall send checks or money orders made payable to the "State of Michigan" to the following address:

**State of Michigan  
Unemployment Insurance Agency-Restitution  
Dept. #771760  
P.O. Box 77000  
Detroit, MI 48277-1760**

IT IS FURTHER ORDERED that future statutory interest will accrue on the restitution portion of the debt at a rate of 1% per month under Mich. Comp. Laws § 421.15, until the restitution owed is paid in full, or until the interest is capped at 50% of the amount of restitution, as provided in Mich. Comp. Laws § 421.15.

IT IS FURTHER ORDERED that Plaintiff may also recoup and/or intercept Defendant's federal and state tax refunds for payment toward the consent amount, in addition to the monthly payments made by Defendant. Any failure to recoup and intercept tax refunds is not a waiver of the right to recoup or intercept.

IT IS FURTHER ORDERED that, if Defendant pays the consent amount in full and without uncured default in accordance with the terms set forth above, the debt shall be deemed satisfied in full, as a full accord and satisfaction, and Plaintiff will cancel the balance between the judgment amount and the consent amount.

IT IS FURTHER ORDERED that, if the Defendant fails to make monthly payments in accordance with the terms of this Consent Judgment, Defendant shall be considered to be in default, and Plaintiff shall serve a notice of default by first-class mail upon Defendant. Defendant shall then have 15 days from the mailing date of the notice to cure such default. If Defendant does not cure the default, the judgment amount will be accelerated, the judgment amount (minus any payments made) will be imposed, and Plaintiff may collect the balance of the judgment through methods allowed under the Michigan Employment Security Act, Mich. Comp. Laws § 421.1, *et seq.*, including liens, garnishments, levies, attachments, recoupment of future unemployment benefits, and interception of federal and state tax refunds.

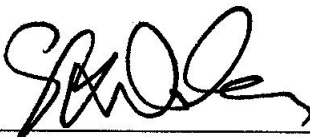
IT IS FURTHER ORDERED that the mailing of correspondence, including but not limited to monthly statements and notices, by Plaintiff to Defendant shall not be a breach by Plaintiff of any term or condition, express or implied, contained in this Consent Judgment. Defendant agrees to make a good faith effort to resolve any issues arising under this Consent Judgment by first contacting both Plaintiff and Plaintiff's counsel.

IT IS FURTHER ORDERED that Plaintiff may mail or otherwise provide a copy of this Consent Judgment, upon entry of same by the Court, directly to the Defendant.

**IT IS SO ORDERED.**

Dated January 24, 2018



  
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Scott W. Dales  
United States Bankruptcy Judge